

**2007-09 Biennium
PL-AH Trans Adoption Supp Medical to HRSA**

Adoption Support Change from Prior YEAR

	FY06	FY07	Change	change	FY08	FY09		
Maintenance		9,969	10,830	861	\$5,260,374	11,704	875	12,579
Caseload								
Percap		\$509	\$514	\$5	\$604,173	\$514	\$0	\$514
Compounding					\$52,163			
	\$60,927,416	\$66,844,127	\$5,916,711	\$5,916,711	\$72,243,350	\$5,399,223	\$5,399,223	\$5,399,223

MMIS		9,793	10,641	848	\$1,248,230	11,451	809	12,367
Caseload								
Percap		\$123	\$126	\$3	\$364,842	\$130	\$5	\$135
Compounding					\$31,606			
	\$14,408,980	\$16,053,658	\$1,644,678	\$1,644,678	\$17,913,156	\$33,966,815	\$1,859,498	\$2,127,201

SSPS		455	488	33	\$85,153	522	34	559
Caseload								
Percap		\$217	\$225	\$8	\$45,742	\$229	\$4	\$234
Compounding					\$3,290			\$1,744
	\$1,184,025	\$1,318,210	\$134,185	\$134,185	\$143,713	\$118,929	\$1,568,493	\$131,355

Misc Adoption								
Caseload								
Percap								
Compounding								
Expenditures	\$708,969	\$951,084	\$242,115	\$242,115	\$951,084	\$0	\$0	\$951,084

Nonrecurring Costs								
Caseload								
Percap								
Compounding								
Expenditures	\$1,038,060	\$1,051,380	\$13,320	\$13,320	\$1,061,893	\$10,514	\$10,514	\$10,619

	Actual FY06	Estimate FY07	Change	\$ impact	Estimate FY08	Change from prior yr	Estimate FY09	Change from prior yr	\$ impact
AS Total	9,969	10,830	861	\$6,593,757	11,704	875	12,579	2,610	\$6,932,875
Caseload									
Percap	\$654	\$663	\$9	\$1,270,192	\$411	-\$252	\$405	-\$6	\$682,092
Compounding				\$87,059			\$46,881		\$53,430
	\$78,267,451	\$86,218,459	\$7,951,008	\$7,951,008	\$57,780,309	-\$28,438,150	\$61,194,305	\$3,413,995	\$7,668,397

Department of Social and Health Services

DP Code/Title: PL-AQ Enhance Business Practices

Program Level - 010 Children's Administration

Budget Period: 2007-09 Version: A1 010 - 2007-09 Agency Request Budget

Recommendation Summary Text:

This request is for \$4,362,000 and 22.7 FTEs for the 2007-09 Biennium to ensure that Children's Administration (CA) has adequate and prudent business practices, internal controls and accurate and timely reporting capabilities.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	1,574,000	1,476,000	3,050,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	517,000	486,000	1,003,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	158,000	151,000	309,000
Total Cost	2,249,000	2,113,000	4,362,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	22.7	22.7	22.7

Package Description:

Children's Administration is requesting 22.7 FTEs and \$4,362,000 (\$2,249,000 in Fiscal Year 2008 and \$2,113,000 in Fiscal Year 2009). CA has an increasing number of requirements from the Governor, Legislature, federal government and the courts. Additional resources are necessary to enhance CA's business practices to ensure consistent implementation of new policies, practices, and processes, to assure that CA's approximately 1,800 provider contracts comply with both fiscal and performance standards, and enhance decision support to meet the growing data processes and report generation requirements.

1. Enhance Policy Implementation:

	FY 2008	FY 2009	Total Biennium
FTEs:	7.0	7.0	7.0
Funds:	\$692,000	\$650,000	\$1,342,000

The Children's Administration has six regions, 44 offices, and over 1,300 case carrying staff that affect the safety, health, and well-being of over 22,000 children and families. During a typical year, the administration issues dozens of new or modified policies, practice procedures, and processes. In the past, the existing approach resulted in unique local implementation strategies based on existing community resources, office staff configuration and skill levels of staff. This resulted in inconsistent service delivery across the state. Inconsistent delivery causes significant issues for children, foster parents, biological parents, other service providers, CA staff, and CA management.

Efforts are underway to improve consistency in policy implementation in a measured and incremental approach. Expectations are that consistent policy implementation will lead to better outcomes for children and families, more accountability for the resources deployed, and better oversight and management. However, these results are only possible if the policies, practices, and skill requirements are understood, embraced, and employed by field staff in a consistent manner. CA expects many major adjustments to policies, practices, and processes due to Braam, CA's Program Improvement Plan and other policy requirements. The opportunity exists for inconsistency to dramatically increase during the time that it is most needed.

With additional resources, CA plans to employ a staff person within each region and one at headquarters to facilitate the implementation of the new policies, practices, and processes as they are issued. These seven staff will be the core "transformational specialists". They will serve as guides, interpreters, reporters, and advocates as the policies, practice procedures and processes are deployed. Without their services, implementation will have significantly increased difficulties,

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and greater frustration will be experienced by children and families.

2. Enhance Contract Monitoring:

	FY 2008	FY 2009	Total Biennium
FTEs:	13.0	13.0	13.0
Funds:	\$1,280,000	\$1,202,000	\$2,482,000

During the 2005-07 Biennium, CA completed a thorough review of over 1,800 contracts it has with providers across the state. During the review, it became apparent that CA did not have the personnel needed to conduct standard, periodic monitoring of these contracts. CA understands that without adequate resources to monitor contracts, there are more contract non-compliance problems, more payment problems, and inconsistent quality of services for the children and families CA serves.

The 13 FTEs will provide 12 contract monitors and one contract monitor coordinator to oversee the process statewide and ensure quality control. The contract monitor coordinator will write a business plan that will meet the Risk Assessment and Self Evaluation requirements, as well as meet the needs of CA, to assure that contract money is being spent prudently and correctly. The coordinator will provide statewide direction and coordinate teams to monitor the contractors on-site when necessary.

Contracted services providers are essential to the successful implementation of the practice model currently in place and the one that is being developed for CA. At any given time, there are approximately 1,800 contracts in operation across the state. To ensure contract compliance, contracts must be reviewed on a regular basis. Currently, the vast majority of contract reviews are done through a check of documentation. The risk assessment review needs to be more comprehensive and resources need to be available to perform on-site monitoring when warranted. This idea was reinforced during the contract review process undertaken by CA in Fiscal Year 2006.

The regional contract monitors will monitor both fiscal and practice performance compliance and will provide technical assistance as necessary. The 12 FTEs will be deployed per the CA Business Plan which is to be written by the contract monitor coordinator.

3. Enhance Decision Support:

	FY 2008	FY 2009	Total Biennium
FTEs:	2.7	2.7	2.7
Funds:	\$277,000	\$261,000	\$538,000

Performance measurements will be increasingly more important due to 24 hour/72 hour/30 day and neglect legislation and as the practice model is implemented. Data will be streaming into CA from over 1,000 contractors and will need to be compiled and analyzed. Reports will have to be generated and processed. Questions from authorizing organizations, interest groups, and providers will increase dramatically. The existing decision support group is fully employed meeting current data process and report generation requirements. Working with a number of new reporting streams and an even greater number of enhanced reporting streams will require additional staff.

Narrative Justification and Impact Statement

How contributes to strategic plan:

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The proposals included in this decision package support the strategies and objectives for the following goals and outcomes included in CA's Strategic Plan:

Supporting Client Outcomes

Goal: Continuously improve the organization's capacity to achieve excellent outcomes for children and families.

Outcome SCO-6: Quality assurance system promotes satisfactory outcomes for children and families.

This decision package supports the Priorities of Government (POG) goal to "Improve the Security of Washington's Vulnerable Children and Adults" and CA's goals under Government Management Accountability and Performance (GMAP) reporting of Permanency for Children, Child and Family Well Being and Supporting Client Outcomes.

This decision package affects the following activities: Child Protective Services (A009), Child Welfare Services (A012), and Family Reconciliation Services (A033).

Performance Measure Detail

Agency Level

Activity: A009 Child Protective Services (CPS)

Output Measures

- | | Incremental Changes
FY 1 | FY 2 |
|--|-------------------------------------|-------------|
| 1111 Number of CPS, CWS and FRS referrals received. | 0.00 | 0.00 |
| 1112 Number of child abuse/neglect referrals accepted for investigation. | 0.00 | 0.00 |

Activity: A012 Child Welfare Services (CWS)

Output Measures

- | | | |
|--|------|------|
| 1111 Number of CPS, CWS and FRS referrals received. | 0.00 | 0.00 |
| 1112 Number of child abuse/neglect referrals accepted for investigation. | 0.00 | 0.00 |

Activity: A033 Family Reconciliation Services (FRS)

Output Measures

- | | | |
|---|------|------|
| 1111 Number of CPS, CWS and FRS referrals received. | 0.00 | 0.00 |
|---|------|------|

Reason for change:

This request is being proposed in order to:

- Meet accountability requirements and expectations
- Ensure sound business practices and processes
- Know if performance goals and outcomes are being achieved
- Increase external credibility and confidence in the results being reported.

Impact on clients and services:

This proposal will have a positive impact on services provided by CA and its clients by identifying specific areas that improve services to children and foster families. CA expects stakeholders will support this package.

Impact on other state programs:

None

Relationship to capital budget:

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Not applicable

Required changes to existing RCW, WAC, contract, or plan:

Not applicable

Alternatives explored by agency:

The alternative would be to rely on existing data and decision support processes and to not generate any new report formats, to monitor only some contracts for fiscal and performance compliance, and continue with current implementation processes. This does not provide stakeholders with adequate assurance of the quality of CA's business practices or accurately reflect the quality of service provided to children and families. Compliance with many federal, state, and other service standards require enhancement of business processes. Relying on current practices does not provide stakeholders with adequate assurance that the QA results accurately reflect the quality of service provided to children and families.

Budget impacts in future biennia:

The costs and FTEs would be included in carry forward level in future biennia

Distinction between one-time and ongoing costs:

Initial equipment costs for new staff would be one-time only. All other costs would be ongoing.

Effects of non-funding:

The effect of not funding this request would be that CA would either not implement enhanced business practices and processes, which would have a negative effect on ensuring CA provides quality services to children and families; or in order to implement, CA would need to look at service funding and possibly reduce program funds.

Expenditure Calculations and Assumptions:

See attached CA PL-AQ Enhance Business Practices.xls

The federal Deficit Reduction Act, passed in February 2006, created new limitations for Targeted Case Management (TCM) which were effective January 1, 2006. Federal rules have not been published so the precise effect of the new law is not clear. This proposal assumes that CA will be able to claim TCM funds in the 2007-09 Biennium, but if that is not the case CA will require GF-State where TCM is assumed.

<u>Object Detail</u>		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding				
A	Salaries And Wages	1,314,000	1,314,000	2,628,000
B	Employee Benefits	367,000	367,000	734,000
E	Goods And Services	271,000	273,000	544,000
G	Travel	91,000	91,000	182,000
J	Capital Outlays	183,000	45,000	228,000
T	Intra-Agency Reimbursements	23,000	23,000	46,000
Total Objects		2,249,000	2,113,000	4,362,000

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DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	1,574,000	1,476,000	3,050,000
<i>Total for Fund 001-1</i>		1,574,000	1,476,000	3,050,000
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u>	<u>Title</u>			
658L	Title IV-E-Foster Care (50%)	517,000	486,000	1,003,000
<i>Total for Fund 001-A</i>		517,000	486,000	1,003,000
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19TA	Title XIX Assistance (FMAP)	158,000	151,000	309,000
<i>Total for Fund 001-C</i>		158,000	151,000	309,000
Total Overall Funding		2,249,000	2,113,000	4,362,000

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PL-AQ Enhance Business Practices**

	FY 08		FY 09		TOTAL	
	FTEs	\$	FTEs	\$	FTEs	\$
Enhance Policy Implementation	7.0	692,000	7.0	650,000	7.0	1,342,000
Enhance Contract Monitoring	13.0	1,280,000	13.0	1,202,000	13.0	2,482,000
Enhance Decision Support	2.7	277,000	2.7	261,000	2.7	538,000
TOTAL	22.7	2,249,000	22.7	2,113,000	22.7	4,362,000

Enhance Policy Implementation
Enhance Contract Monitoring
Enhance Decision Support
TOTAL

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Enhance Policy Implementation

Assumptions:

- * 1 business process analyst per region
- * Regional business analysts at SHPM3 level
- * 1 supervisory analyst at headquarters; WMS level

Object	FY 2008	FY 2009
<i>FTEs</i>	<i>7.0</i>	<i>7.0</i>
A	404,000	404,000
B	113,000	113,000
E	84,000	84,000
G	28,000	28,000
J	56,000	14,000
T	7,000	7,000
Total	692,000	650,000

Source of Funds		
GF-S	484,400	455,000
T IVE-E	159,160	149,500
T XIX	48,440	45,500
	692,000	650,000

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PL-AQ Enhance Business Practices**

Enhance Contract Monitoring

Assumptions:

- *1 contract monitor coordinator at headquarters to provide standardize statewide direction; WMS level
- *12 contract monitors to be deployed per the CA Business Plan to be written by the contract monitor coordinator (the 12 FTEs will be required to collect the contractors' written self-assessments, review licenses, review billings, review any audits & corrective action plans, and monitor contractors on-site, as needed)
- * Regional contract monitors at SHPM3 level
- * 1800 contracts -- all contracts require a comprehensive risk assessment worksheet for each contracted service, desk monitoring, and if determined necessary, on-site contract monitoring. Two annual reports are written for the Assistant Secretary the first shows the results of the contract risk assessment and the final report at the end of the year showing the action CA has taken.

Object	FY 2008	FY 2009
<i>FTEs</i>	<i>13.0</i>	<i>13.0</i>
A	746,000	746,000
B	209,000	209,000
E	156,000	156,000
G	52,000	52,000
J	104,000	26,000
T	13,000	13,000
Total	1,280,000	1,202,000

Source of Funds

GF-S	896,000	841,400
TIVE-E	294,400	276,460
T XIX	89,600	84,140
	1,280,000	1,202,000

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PL-AQ Enhance Business Practices**

Enhance Decision Support

Task	Hours	New Positions Needed
New CFSR/PIP Measures	564	
AFCARS/PIP	460	
NCANDS	120	
Complete National Surveys	160	
Support P&P	1,129	
Measure New Redesign (Case transfer from CPS CWS etc)	1,129	
Braam	1,129	
Contracts (New/Outcome)	1,129	
Internal Reporting (EMIS, Report Card, Performance Measures, CHET, & etc)	1,271	
External Reporting (Annual Report, Legislative Report, & etc)	1,129	
WEB Work	564	
New SACWIS Development	2,547	
GMAP	564	
Maintain Data Warehouse	1,271	
Maintain Field Accessed Data System	1,129	
Provide Training & TA	320	
Support P&P New Initiatives (New Neglect Exp)	564	
Provide Data for Research Request	423	
Ad hoc data requests	1,129	
Family to Family	423	
New Practice Model	1,129	
TOTAL NEW HOURS	4,515	
Available staff hours per year	1,694.5	
Number of new staff needed	2.7	

Staff at WMS staff level

Object	FY 2008	FY 2009
<i>FTEs</i>	2.7	2.7
A	165,000	165,000
B	45,000	45,000
E	32,000	32,000
G	11,000	11,000
J	21,000	5,000
T	3,000	3,000
Total	277,000	261,000
Source of Funds		
GF-S	193,900	182,700
T IVE-E	63,710	60,030
T XIX	19,390	18,270
	277,000	261,000